GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

APVAT Act'2005 – Schedule IV – Insertion of new Entry in Schedule IV of the APVAT Act'2005 – Notification – Orders – Issued.

REVENUE (COMMERCIAL TAXES) DEPARTMENT

G.O.Ms.No.72 Dt.23.02.2024.

Read:

From the I&I Dept., vide e-file No. INI01-APGD/12/2022-AIR.

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ORDER:

The Andhra Pradesh Value Added Tax Act, 2005 (APVAT Act) was introduced in the State with effect from 01-04-2005 providing for levy and collection of tax on intrastate sales of Goods. After introduction of GST with effect from 01-07-2017, all the goods were subsumed in GST except five petroleum products namely Crude Oil, Natural Gas, High Speed Diesel, Petrol, Aviation Turbine Fuel (ATF) and Liquor for human consumption on which VAT is continued to be levied under APVAT Act. Of the five petroleum products, Crude Oil is taxed at 5% under Schedule-IV, Natural Gas at 14.5% under Schedule-V; and Petrol at 31% + Rs.4/- per litre, Diesel at 22.25% + Rs.4/- per litre and ATF at 1% under Schedule VI of the APVAT Act. Presently, only Natural Gas is left to be taxed under Schedule-V of the APVAT Act after subsuming all other goods in GST.

2. Due to COVID-19 Lockdown implemented since 23rd March, 2020 in the State, Government have increased the rate of tax on Natural Gas from 14.5% to 24.5% for augmenting the State revenue by revising the tax rate under Schedule-V of the APVAT Act vide G.O.Ms.No.265, Revenue (CT-II) Department, Dt. 12.09.2020. At present, the rate of tax on Natural gas in the States of Delhi, Punjab, Maharashtra, Haryana, Gujarath, Tamil Nadu, Karnataka and Kerala is in the range of 0% to 6%. It is observed that the increase in VAT rate in Andhra Pradesh adversely affected the Industrial units due to increase in cost of production while comparing other state units. Further year on year the CNG consumption in automobile vehicles is increasing.

3. Taking all the factors into consideration, Government have decided to reduce the rate of tax on Natural Gas from 24.5% to 5% by inserting the said commodity under Schedule-IV of the APVAT Act'2005.

4. Accordingly, the following Notification shall be published in an Extra Ordinary issue of the Andhra Pradesh Gazette on 23.02.2024.

NOTIFICATION

In exercise of the powers conferred by sub-section (1) of Section 79 of the Andhra Pradesh Value Added Tax Act, 2005 (Act No.5 of 2005), the Government of Andhra Pradesh hereby makes the following amendment to Schedule-IV of the said Act.

This Notification shall come into force with effect from 01.04.2024.

(P.T.O.)

8600044/2024/TAPPAL-REV01

AMENDMENT

In Schedule-IV of the said Act, after entry 130, the following entry shall be added, namely,-

"**131. Natural Gas**"

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

N GULZAR
PRINCIPAL SECRETARY TO GOVERNMENT (CT) FINANCE (FAC)

To
The Commissioner of Printing, Stationery and Stores Purchase (Publication Wing), A.P., Vijayawada ... for publication of the Notification (he is requested to supply20 copies of the notification to this Department and 200 copies to the Chief Commissioner of State Tax, Andhra Pradesh, Guntur)
The Chief Commissioner of State Tax, Andhra Pradesh, Guntur.

Copy to:

The I&I Dept., A.P.Secretariat, Velagapudi.
The Secretary, Andhra Pradesh VAT Appellate Tribunal, Commercial Taxes Building Complex, Near Star Pinnakle Hospitals, Deendayalpuram, Chinagadili Mandal, Visakhapatnam, 530 040.
The State Representative before the VAT Appellate Tribunal, Visakhapatnam.
The Director General, General Administration (Vigilance & Enforcement) Department, 2nd floor, Pundit Nehru Bus Station Complex, Vijayawada.
The P.S. to Principal Secretary to the Hon'ble Chief Minister.
The OSD to Hon'ble Minister (CT).
The P.S.to the Principal Secretary to Government (CT) Finance.
The GA (Cabinet) Department with reference to their U.O.No.30/2024, Dt.01.02.2024.

SF/SC

//FORWARDED:: BY ORDER//

SECTION OFFICER